

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 1926
ANSWERED ON 20/12/2023

NCDC and FPO

1926 SMT. DARSHANA SINGH:
SHRI IRANNA KADADI:

Will the Minister of COOPERATION be pleased to state:

- (a) the steps taken by Government to promote Farmer Producer Organisations;
- (b) the number of Farmer Producer Organisations set up in the country, State-wise;
- (c) the objectives of the National Co-operative Development Corporation (NCDC); and
- (d) the details of different schemes sponsored by the NCDC?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a): The Government of India has launched the Central Sector Scheme for “Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)” in the year 2020 with a total budgetary outlay of Rs.6,865 crore which aim at enabling farmers to enhance their bargaining power, leverage economies of scale, reduction in cost of production and enhancing farmers’ incomes through aggregation of their agricultural produce, thus playing a major role towards sustainable incomes.

Under the scheme, FPOs are promoted through financial assistance upto Rs.18.00 lakh for a period of 3 years. In addition, provision has been made for contribution of matching equity grant upto Rs. 2,000 per farmer member of FPO with a limit of Rs.15.00 lakh and a credit guarantee facility upto Rs.2 crore of project loan from eligible lending institution to ensure institutional credit accessibility to FPOs.

A target of additional 1,100 Farmer Producer Organizations (FPOs) has been allocated to National Cooperative Development Corporation (NCDC) by the Government of India for formation and promotion of FPOs in cooperative sector, through strengthening of Primary Agricultural Cooperative Credit Societies (PACS).

(b): Against the target of 10,000 FPOs, 7,597 FPOs have been registered in 34 States/Union territories. The State-wise total number of FPOs registered across the country, is as mentioned below:

S.No.	State/UT	No. of registered FPOs
1	Andaman & Nicobar	7
2	Andhra Pradesh	355
3	Arunachal Pradesh	118
4	Assam	299
5	Bihar	474
6	Chhattisgarh	159
7	Dadra Nagar Haveli	0
8	Goa	8
9	Gujarat	388
10	Haryana	148
11	Himachal Pradesh	116
12	Jammu & Kashmir	200
13	Jharkhand	276
14	Karnataka	270
15	Kerala	122
16	Ladakh	3
17	Lakshadweep	1
18	Madhya Pradesh	566
19	Maharashtra	521
20	Manipur	75
21	Meghalaya	52
22	Mizoram	48
23	Nagaland	81
24	Odisha	409
25	Puducherry	5
26	Punjab	118
27	Rajasthan	475
28	Sikkim	13
29	Tamil Nadu	391
30	Telangana	269
31	Tripura	52
32	Uttar Pradesh	1150
33	Uttarakhand	134
34	West Bengal	294
	Grand Total	7597

(c): The objective of National Co-operative Development Corporation (NCDC) is to promote, strengthen and develop farmer cooperatives for increasing production and productivity and instituting post-harvest facilities. The Corporation's focus is on programmes of agricultural

marketing and inputs, processing, storage, cold chain and marketing of agriculture produce and the supply of seeds, fertilizer and other agricultural inputs etc. In the non-farm sector, the Corporation endeavors to equip cooperatives with facilities to promote income generating activities, with special focus on weaker sections such as dairy, livestock, handloom, sericulture, poultry, fishery, scheduled caste & scheduled tribes, women cooperatives, etc.

(d): Details of different schemes implemented/ activities assisted by NCDC are as follows:

A. SCHEMES IMPLEMENTED:

I. NCDC Sponsored Schemes:

- i. YUVA SAHAKAR - Cooperative Enterprise Support and Innovation Scheme:** The scheme aims at encouraging newly formed cooperative societies with new and/ or innovative ideas. It is linked to a Cooperative Start-up and Innovation Fund created by NCDC.
- ii. AYUSHMAN SAHAKAR:** The Scheme has a comprehensive approach to cover hospitals, healthcare, medical education, nursing education, paramedical education, health insurance and holistic health systems such as AYUSH.
- iii. NANDINI SAHAKAR:** The scheme aims to improve socio-economic status of women and supports entrepreneurial dynamism of women through women cooperatives. It will converge critical inputs of women's enterprise, business plan formulation, capacity development, credit and subsidy and/ or interest subvention of other schemes.
- iv. DAIRY SAHAKAR:** It is a cooperative dairy business focused framework of financial assistance for encouraging cooperatives to achieve higher outcomes in ESG (environmental, social, governance) linked activities. It includes creation of infrastructure by cooperatives for new projects and modernization and/or expansion of existing projects.
- v. DIGITAL SAHAKAR:** Aligned with the principles of Digital India, NCDC has conceived a focused financial assistance framework for Digitally Empowered Cooperatives for handholding and credit linkage by NCDC, dovetailed with grant, subsidy, incentives etc. from Government of India / State / UT / agencies with the objective of cooperatives actively partaking in Digital India.
- vi. SWAYAM SHAKTI SAHAKAR YOJNA:** New scheme for providing NCDC's financial assistance to Agricultural Credit Cooperatives for providing loan/advances to Women Self Help Groups (SHGs).
- vii. DEERGHAVADHI KRISHAK PUNJI SAHAKAR YOJNA:** New Scheme for extending NCDC's long term financial assistance to Agricultural Credit Cooperatives towards their onward lending of long term loans/advances for activities/commodities/services under the purview of NCDC.

II. Other Central Schemes being implemented by NCDC:

- a) **Agri Infrastructure Fund Scheme** - DA&FW, Ministry of Agriculture and Farmers Welfare
- b) **Agricultural Marketing Infrastructure (AMI) sub scheme of Central Sector Integrated Scheme on Agriculture Marketing (CSISAM) for Storage and other than Storage Infrastructure**
- c) **Mission for Integrated Development of Horticulture (MIDH)** - DA&FW, Ministry of Agriculture and Farmers Welfare
- d) **PM Matsya Sampada Yojana (PMMSY)** – Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying
- e) **PM Formalisation of Micro Food Processing Enterprises (PMFME)**- Ministry of Food Processing Industries
- f) **PM 'Formation and Promotion of 10,000 FPOs' scheme** - DA&FW, Ministry of Agriculture and Farmers Welfare
- g) **Fisheries & Aquaculture Infrastructure Development Fund (FIDF) Scheme** – Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying.

B. OTHER ACTIVITIES ASSISTED BY NCDC:

a) Marketing:

- Margin Money /Working capital assistance
- Strengthening share capital base of primary / district cooperative marketing societies
- Purchase of furniture and fixtures, transport vehicles including refrigerated vans
- Development / Strengthening of Agricultural Marketing Infrastructure, Grading and Standardization

b) Processing:

- Setting up of new sugar factories (Investment Loan)
- Modernisation and Expansion / Diversification of existing Sugar Factories (Investment loan and term loan)
- Establishment of new/ Modernization/ Expansion/ Rehabilitation of existing spinning mills
- Modernization/ Expansion of existing and establishment of modern cotton ginning & pressing units
- Small /medium scale agro & allied sector processing units, pre/post loom processing/ garment & knitting units
- Setting up of other Processing units, such as Foodgrains/Oilseeds /Plantation Crops /Fruits & Vegetables /Maize Starch/Particle Board etc.
- Margin money /Working capital assistance
- Share capital participation by State Government in new spinning mills

c) Storage:

- Construction of godowns and repair / renovation of existing godowns
- Margin money / Working capital assistance

d) Cold Chain:

- Construction / expansion / modernization of cold storages
- Establishment of Cold Chain components which broadly include (i) Integrated pack house, (ii) Reefer transport, (iii) Cold storage (Bulk-near farm gate),(iv) Cold storage (Hub-near market) and (v) Ripening units etc.
- Margin money / Working capital assistance

e) Distribution of essential consumer articles through cooperatives:

- Establishment of infrastructure such as shopping centre, diesel, Kerosene bunk /warehouse / new / expansion / modernization of wholesale consumer cooperative store / departmental consumer cooperative store / consumer federation
- Purchase of furniture and fixture, transport vehicles including refrigerated vans for distribution of consumer articles
- Margin money / Working capital assistance

f) Industrial:

- All types of Industrial Cooperatives, Cottage & Village Industries, Handicrafts / rural crafts etc.

g) Credit & Service Cooperatives/ Notified Services:

- Agriculture Credit / Agriculture Insurance
- Water Conservation works / services
- Irrigation, micro irrigation in rural areas
- Animal care / health /disease prevention
- Rural Sanitation, Drainage, Sewage system through Cooperatives
- Tourism, Hospitality, Transport
- Generation & Distribution of power by New, Non-Conventional & Renewable sources of energy
- Rural Housing
- Hospital / Health Care and Education
- Creation of infrastructure for credit cooperatives

h) Cooperative Banking Unit:

- Assistance to PACS for creation of infrastructure relating to Modern Banking Unit.

i) Agricultural Services:

- Cooperative Farmers Service Centres
- Agro Service Centres for Custom Hiring
- Establishment of Agricultural inputs manufacturing and allied units
- Irrigation / water harvesting programmes

j) District Plan Schemes:

- Integrated Cooperative Development Projects in selected districts

k) Cooperatives for Weaker Sections:

- Fisheries, Dairy & Livestock, Poultry, Schedule Caste, Tribal Cooperatives, Handloom, Coir, Jute, Sericulture, Women, Hill area, Tobacco & Labour

l) Assistance for Computerisation of Cooperatives:

- Assistance is provided for purchase / installation of computers/ hardware, system & application software, networking, maintenance cost, technical manpower and capacity development and training.

m) Promotional and Developmental programmes:

- Consultancy for studies / project reports, management studies,
- Market survey & evaluation of programmes, etc.

Cumulatively, NCDC has disbursed ₹2,87,712.45 crore since inception upto 20.11.2023. NCDC disbursements have risen steadily from ₹5,736 crore in 2014-15 to ₹41,031 crore in 2022-23. With this, NCDC has achieved about 28% average annual growth rate in disbursement of financial assistance since 2014 -15. Expected disbursement for FY 2023-24 is envisaged as ₹50,000 crore.
